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OMB APPROVAL
OMB Number: 3235-0123
Expires: April 30, 2013
Estimated average burden
hours per response..... 12.00

**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

SEC FILE NUMBER
8-67391

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/2012 AND ENDING 12/31/2012
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Frank Crystal Capital, Inc.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
32 Old Slip, 18 th Floor

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)

New York

New York

10005

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

EisnerAmper LLP

(Name - if individual, state last, first, middle name)

750 Third Avenue

New York

New York

10017

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, Jonathan H. Finesilver Crystal, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Frank Crystal Capital, Inc. of December 31, 2012, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NURIA HERNANDEZ
Notary Public, State of New York
No. 01HE6197749
Qualified in New York County
Commission Expires 12/08/2016
Notary Public

Signature
EVP
Title

This report ** contains (check all applicable boxes):

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss).
(d) Statement of Changes in Financial Condition.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
(f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
(g) Computation of Net Capital.
(h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
(i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
(j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
(k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
(l) An Oath or Affirmation.
(m) A copy of the SIPC Supplemental Report.
(n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



FRANK CRYSTAL CAPITAL, INC.

(a wholly owned subsidiary of Crystal & Company)

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2012

INDEPENDENT AUDITORS' REPORT

To the Stockholder of
Frank Crystal Capital, Inc.

We have audited the accompanying statement of financial condition of Frank Crystal Capital, Inc. ("the Company") as of December 31, 2012, that is filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the statement of financial condition.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Frank Crystal Capital, Inc. as of December 31, 2012 in accordance with accounting principles generally accepted in the United States of America.



New York, New York
February 25, 2013

FRANK CRYSTAL CAPITAL, INC.
(a wholly owned subsidiary of Crystal & Company)

Statement of Financial Condition
December 31, 2012

ASSETS

Cash	\$ 357,899
Receivable from broker	12,594
Prepaid expenses	<u>4,634</u>
	<u>\$ 375,127</u>

STOCKHOLDER'S EQUITY

Stockholder's equity:	
Common stock - stated value; 1,500 shares authorized, 100 shares issued and outstanding	\$ 1,000
Additional paid-in capital	102,763
Retained earnings	<u>271,364</u>
	<u>\$ 375,127</u>

FRANK CRYSTAL CAPITAL, INC.
(a wholly owned subsidiary of Crystal & Company)

Notes to Statement Financial Condition
December 31, 2012

NOTE A - ORGANIZATION AND NATURE OF BUSINESS

Frank Crystal Capital, Inc. (the "Company"), a direct wholly owned subsidiary of Crystal & Company (the "Parent") is registered with the Securities and Exchange Commission ("SEC") as a broker-dealer under the Securities and Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority ("FINRA").

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Revenue recognition:

The Company's Parent entered into a Service Agreement with an introducing broker-dealer ("Service Agreement") under which certain insurance producers employed by the Parent were made available to the introducing broker-dealer to become Registered Representatives of that introducing broker-dealer. In connection with the Service Agreement, the Company also entered into a Referral Agreement ("Referral Agreement") as of February 28, 2007, with the same introducing broker-dealer.

Under the Referral Agreement, the Company refers to the introducing broker-dealer customers of the Parent for potential consideration of investment products. The introducing broker-dealer will pay the Company a referral fee where a referred customer purchases a securities product through the introducing broker-dealer. This introducing broker-dealer is the exclusive introducing broker-dealer to which the Company will make such referrals. The referral fee earned by the Company is a portion, as agreed to by the introducing broker-dealer and the Company, of the gross revenue earned by the introducing broker-dealer from securities transaction involving those referred customers.

Referral fee revenue earned from the introducing broker-dealer is recorded as revenue on a trade date basis associated with the transaction at the introducing broker-dealer. The Company does not have any recourse to the independent broker-dealer regarding referral compensation amounts received and reported by the independent broker-dealer.

All referral fees earned during 2012 were from such introducing broker-dealer.

[2] Income taxes:

The Company is considered as a Qualified Subchapter S Subsidiary ("QSUB") for federal and New York State purposes. All of the Company's income and expenses are included in the federal and New York State S Corporation return of the Parent. The Company files as part of a combined return for New York City purposes as a subsidiary of the Parent since New York City does not recognize QSUB status. New York City income taxes are calculated as if the Company filed on a separate return basis for purposes of this financial statement.

The Company evaluated the recognition, measurement and disclosure requirements of tax positions taken or expected to be taken on a tax return and determined that there are no uncertain tax positions at December 31, 2012. The Company has no material unrecognized tax benefits and has not recognized in this financial statement any interest or penalties related to income taxes. Tax years for 2009 and thereafter are subject to examination by the appropriate taxing authorities.

[3] Use of estimates:

The preparation of this financial statement in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statement, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

FRANK CRYSTAL CAPITAL, INC.
(a wholly owned subsidiary of Crystal & Company)

Notes to Statement Financial Condition
December 31, 2012

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[4] Cash:

Cash is comprised of the Company's operating funds, which are maintained in one account.

[5] Receivable from broker:

Referral fees from securities transactions executed, but unsettled at the introducing broker-dealer, are reflected as receivable from broker in the statement of financial condition.

NOTE C - NET CAPITAL REQUIREMENT

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital. At December 31, 2012, the Company had net capital, as defined, of \$370,493, which was \$365,493 in excess of its required minimum net capital.

The Company is exempt from the provisions of Rule 15c3-3 per paragraph (k)(2)(ii).

NOTE D - RELATED PARTY TRANSACTIONS

The Company has an expense sharing agreement with the Parent whereby the Company is charged for its respective share of expenses, including, but not limited to, office space, equipment, and insurance expenses. The Company is charged a fixed monthly fee, which totaled \$22,800 for the year ended December 31, 2012. The agreement shall remain in effect until terminated by each of the parties upon 60 days' written notice.

On July 10, 2006, the Company issued 100 shares of common stock to the Parent in Exchange for \$1,000 on February 14, 2012.